

Admissions and Financial Filings

Debbie Doggett
Chief Financial Analyst
Cindy Monroe
Admissions Coordinator



Admissions and financial filings



Overview

- Types of admitted companies
- Filing financial statements
- Changes – required filings
- Missouri insurance statistics



Admissions and financial filings



SLIDE 2

Definitions

- Domestic: formed under Missouri laws
- Foreign: formed under another state's laws
- Alien: formed under another country's laws
- Uniform Certificate of Authority Application (UCAA): streamlines, provides uniformity in insurer licensing process



Admissions and financial filings



SLIDE 3

Certificate of Authority (sample)

\$1,500 annual fee –
due July 1



Admissions and financial filings



SLIDE 4

Certificates of Deposit

- Insurers must make deposit to home-state regulator (security for policyholders)
- Foreign insurers must show proof: Certificate of Deposit
- Only U.S. Treasury or Missouri municipal bonds allowed by law
- Deposits: DIFP holds \$245 million from Missouri licensed companies



Admissions and financial filings



SLIDE 5

Required annual & quarterly financial statements - domestic

- Hard copy (statutes require retention for 50 years)
- Follow the Missouri Checklist for the type of blank (Life, P&C, or Health) filed.
- Type of Actuarial Opinion should match type of statement being filed



Admissions and financial filings



SLIDE 6

Required annual and quarterly financial statements - Foreign

- Use Missouri Checklist for type of blank filed in domiciliary state
- Hard copy not required:
 - ▶ Unless not filed with the NAIC
 - ▶ Filing with NAIC satisfies DIFP filing requirement
 - ▶ Department accepts electronic attestation
 - ▶ Reduces regulatory costs



Admissions and financial filings



SLIDE 7

Company Name Changes

- File required form & \$60 fee
- Return original certificate of authority
- Provide a contact at your company
- Provide Director to Receive Service of Process form (non-domestics)

*Important consumer protection – ability to track insurance policies



Admissions and financial filings



SLIDE 8

Change of address

- Submit the UCAA Form 14 Change of Mailing Address/Contact Notification
- Addresses tracked (will auto-fill in 2015)
 - ▶ Company Mailing Address
 - All mail goes here, including invoices
 - ▶ Business address (physical address)
 - ▶ Statutory home office
 - ▶ Main administrative office



Admissions and financial filings



SLIDE 9

Change of contacts

- Submit the UCAA Form 14 Change of Mailing Address/Contact Notification
- Contacts tracked:
 - ▶ Service of Process (sent to Legal)
 - ▶ Consumer complaints (sent to Consumer Affairs)
 - ▶ Examiner billing – Financial & Market Conduct (sent to Fiscal Services)
 - ▶ Premium Tax (sent to Taxation Section)



Admissions and financial filings



SLIDE 10

Add, delete lines of authority

- Submit UCAA Form 2C Amendment Application and Checklist 1C
- Submit original certificate of authority
- Submit proposed policy forms
- \$60 filing fee



Admissions and financial filings



SLIDE 11

Mergers & acquisitions (involving Missouri domestic)

Form A

- DIFP must approve merger or acquisition of Missouri domestic

Form D

- Prior notice of transaction between MO domestic and affiliated entity

Form E

- Review of proposed transaction for impact on competition



Admissions and financial filings



SLIDE 12

Mergers & acquisitions (involving non-domestics)

- Submit UCAA Form 2C Amendment Application and Checklist 1C
- Return Original Certificate of Authority
- Form E, when applicable
 - ▶ Review of proposed transaction for impact on competition
- Fee: \$160



Admissions and financial filings



SLIDE 13

Confidential Filings

- Biographical affidavits
- Projections
- Business plans
- Filings should be marked by the company as confidential or trade secret
- Review 20 CSR 10-2.400 (Records)

Public: all other filings with DIFP



Admissions and financial filings



SLIDE 14

Admissions filings

	2010	2011	2012
New applicants	43	27	36
Redomestications	23	14	22
Mergers	17	16	16
Name changes	45	38	31



Admissions and financial filings



SLIDE 15

Admitted carriers

	2010	2011	2012
Domestic	205	204	213
Foreign	1,467	1,462	1,454
Alien	275	291	294
Total	1,947	1,957	1,961



Admissions and financial filings



SLIDE 16

Financials - aggregate

	2010	2011	2012
Dir. written prem.	\$28.4 B	\$30 B	\$15.5 B
Assets	\$4.58 T	\$4.85 T	\$4.98 T
Capital & surplus	\$921.2 B	\$949.4 B	\$980.8 B



Admissions and financial filings



SLIDE 17

State-based regulation

- Comprehensive Financial Data Database
 - ▶ No other country has anything like it
- Regulators can access 10 years financial data
- Regulators can quickly determine potential effect of economic events to insurers
- Allows comparison of company financials
- Public access to financial data:
 - ▶ To schedule, contact 573-526-5001 or Linda.Doerhoff@insurance.mo.gov



Admissions and financial filings



SLIDE 18

Types of reinsurers

- Licensed entities
- Accredited, Qualified
 - ▶ C&S: \$20 million minimum
- Trusteed
 - ▶ Trust-fund based
 - ▶ Company must be solvent



Reinsurers

- Use Missouri checklist for type of blank from domiciliary state or port of entry
- Required filings
 - ▶ Financial statements, actuarial opinion, MD&A, CPA Report
 - ▶ If not filed with NAIC, hard copy filed with DIFP
- State-specific form: renewal of certificate of authority



Requesting certified copies

Certificates of Authority & Certificates of Deposit:

- By fax, letter, or email to Linda Doerhoff
- Fax 573-751-5001
- Linda.Doerhoff@insurance.mo.gov
- Fee: \$10.10 each

